GOVERNMENT OF INDIA
SCIENCE AND TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:2053
ANSWERED ON:16.03.2005
INVESTMENT ON RESEARCH AND DEVELOPMENT
Mohite Shri Subodh

Will the Minister of SCIENCE AND TECHNOLOGY be pleased to state:

(a) whether 86 percent of Indian companies do not invest anything on research and development;

(b) if so, the reasons therefor ;

(c) whether the Government proposes to make it mandatory for companies to spend some of the profits of the companies on research and development;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

Answer

MINISTER OF STATE(INDEPENDENT CHARGE) OF THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF OCEAN DEVELOPMENT (KAPIL SIBAL)

(a)&(b) The Government has not carried out any survey of companies with regard to their R&D investments. However, a report published in the financial daily of Hindu Group dated 20th March 2003, has quoted a study conducted by Administrative Staff College of India (ASCI), Hyderabad pointing out that about 86 percent of 8334 Indian companies did not report any spending on R&D in their annual reports for the year 2001-02.

(c) No Sir.

(d)&(e) Question does not arise.